

A G E N D A

BUILDING COMMITTEE

April 10, 2002

11:00 A.M. Legal Conference Room
Legal Division – 4th Floor Romney Building

STATE ADMINISTRATIVE BOARD

April 16, 2002

11:00 A.M. Senate Appropriations Room
3rd Floor Capital

REVISIONS TO CONSTRUCTION CONTRACTS

1. DEPARTMENT OF TRANSPORTATION, LANSING – Murray D. Van Wagoner
Building – Renovation of the Cafeteria
File No. GEH/00444.TSD – Index No. 00226
Irish Construction Company, Inc., Howell; CCO No. 3, Incr. \$12,526.00
2. DEPARTMENT OF COMMUNITY HEALTH, NORTHVILLE – Northville Psychiatric
Hospital – Patient Area Cooling Project – Phase II (Fire Alarm System
Upgrade/Smoke Damper Installation)
File Nos. 391/00607.DCS, 391/00600.HRB & 391/02167.HRB – Index Nos. 11307,
11308 & 11294
McKenna Heating & Cooling, Inc., Dearborn; CCO No. 1, Incr. \$1,395,528.00
3. DEPARTMENT OF ENVIRONMENTAL QUALITY, BURR OAK – Young's Landfill Site –
Landfill Closure
File No. 761/01285.AGY – Index No. 47918
Catskill Remedial Contracting Services, Inc., Otsego; CCO No. 2, Incr. \$419,452.65

LEASES FOR PRIVATE PROPERTY

4. DEPARTMENT OF STATE, GREENVILLE - New lease (#10980) from May 1, 2002 through April 30, 2007 between the G W II, A Michigan Limited Partnership, c/o Clinton Realty Companies, Inc., 2876 28th Street, S.W. Grandville, Michigan 49418 for 1,400 square feet of office space and a total of 37 parking spaces, two of which must be reserved and striped as handicapped parking, located at Greenville West Shopping Center, Greenville. The annual per square foot rental rate for this space is \$12.50 (\$1,458.33 per month). This rate does not include heat, electricity, water/sewer, janitorial services and supplies. Effective June 15, 2003, and every subsequent June 15, any increase or decrease in real estate taxes per annum will be adjusted and paid on an annual basis. This lease contains one five-year renewal option with an annual per square foot rate of \$14.00 (\$1,633.33 per month). This space provides work stations for 6 employees. This lease has been approved by the Attorney General as to legal form. Source of Funds: 93% Restricted General Funds; 7% General Fund.

5. DEPARTMENT OF STATE, TRAVERSE CITY – New Lease (#10933) from May 1, 2002, through April 30, 2007, with Nielson Enterprises Corp. and Melvin K. Nielson Trust, Tenants in Common, P.O. Box 3419, Traverse City, Michigan 49685-3419, for 838 square feet of office space located at 880 Munson Avenue, Traverse City. The annual per square foot rental rate for this space is \$14.09 (\$983.96 per month). Effective May 1, 2003 through April 30, 2007 the annual per square foot rental rate for this space is \$14.51 (\$1,013.47 per month). This rate does not include telecommunications or alarm. Effective June 15, 2003, and every subsequent June 15, any increase or decrease operating costs of pro-rata share of metered utilities and common area maintenance charges will be adjusted and paid on an annual bases. This lease contains one five-year renewal option with an annual per square foot rental rate of \$14.95 (\$1,043.88 per month) with the above stated adjustment provision. Effective May 1, 2010 through April 30, 2012, the annual per square foot rental rate for this space is \$15.40 (\$1,075.20 per month). This space provides work stations for 2 employees. This lease has been approved by the Attorney General as to legal form. Source of Funds: 93% Restricted General Funds; 7% General Fund.
6. DEPARTMENT OF TRANSPORTATION, GAYLORD – New lease (#10988) from June 1, 2002, through May 31, 2005, with Patrick C. and Danna M. Heron, Husband and Wife, 610 Sunshine Lane, Gaylord, Michigan, 49873, for 1,759 square feet of office space and 10 parking spaces located at 713 South Wisconsin, Gaylord. The annual per square foot rental rate for this space is \$10.23 (\$1,500.00 per month). This rate does not include heat, electricity, and replacement of fluorescent tubes and bulbs. Effective June 15, 2004, and every subsequent June 15, any increase or decrease in real estate taxes per annum will be adjusted and paid on an annual basis. This lease contains one three-year renewal option with an annual per square foot rental rate of \$12.28 (\$1,800.00 per month) with continuation of above-stated adjustment provision. This space provides workstations for 6 employees. This lease has been approved by the Attorney General as to legal form. Source of Funds: 91% Restricted General Funds; 9% General Fund.

ADDENDA FOR PRIVATE PROPERTY

7. FAMILY INDEPENDENCE AGENCY, WARREN – Addendum #1 to lease (#2259) approved by the State Administrative Board on May 6, 1997, Item #32, between Macomb County, as Lessor, and the State of Michigan, Family Independence Agency, as Lessee, for space located at 29600 Civic Center Drive, Warren. The purpose of this addendum is to update the civil rights clause, correct the beginning and ending dates of the lease, correct the rental rate of the existing lease and to reimburse Lessee for monthly rental overpayments in the amount of \$224,247.60. This addendum has been approved by the Attorney General as to legal form.

8. DEPARTMENT OF MANAGEMENT AND BUDGET, MARQUETTE – Addendum #1 to lease (#7719) approved by the State Administrative Board on July 2, 1991, Item #18, between O'Dovero Development, and subsequently assigned to O'Dovero Properties, A Michigan Co-Partnership, as Lessor, and the State of Michigan, Department of Management and Budget, as Lessee, for space located at 3060 Wright Street, Marquette. This addendum provides for changing the cancellation clause in the existing lease from a Legislative Restrictive to an Either party, modifying the renewal option dates, updating the Civil Rights language, and adding the Year 2000 language. (total square feet 24,000). This addendum becomes effective upon the last State Governmental approval and continues to the termination date of the lease, or any extension. This addendum has been approved by the Attorney General as to legal form. Source of Funds: 100% State Restricted Funds.

RECOMMENDATION FOR GRANT OF STORM SEWER EASEMENT

9. DEPARTMENT OF AGRICULTURE, WILLIAMSTON TOWNSHIP - That for and in consideration of payment of an administrative fee of \$50.00 and \$425.00 for the value of the easement the State Administrative Board, under authority of Act 431 of the Public Acts of 1984, as amended, grant to Tobias Drain Drainage District, C/O Ingham County Drain Commissioner's Office, 707 Buhl Avenue, Mason, Michigan 48854, an easement on the following described property:

The burdened parcel is described as Beginning at the Point on the South Line of Section1, T3N, R1E at a point S89°56'58"W 420 feet from the South ¼ Corner of Said Section 1; thence N02°22'40"E 781 feet; thence S89°56'58"W 664 feet; thence S02°22'40"E to the South Section Line; thence N89°56'58"E along the South Section Line 664 feet to the Point of Beginning on the SW ¼ Line of Section 1; containing 11.895 acres more or less, in the City of Williamston, County of Ingham, State of Michigan.

A Storm Sewer easement for the construction, operation and maintenance of a storm sewer and related appurtenances over and above described Parcel and said easement more particularly described as:

Beginning at the SE corner of Said Parcel; thence Northerly along the East Line of Said Parcel a Distance of 90 feet; thence Westerly parallel to the South Line of Said Parcel a distance of 46 feet; thence Southerly parallel to East Line of said Parcel a distance of 90 feet; thence Easterly along the South Line of said Parcel a distance of 46 feet to the Point of Beginning.

In addition to the Permanent Easement description, a Temporary Grading Easement for the construction of a storm sewer and related appurtenances over and above described parcel and Said Easement more particularly described as:

Commencing at the SE corner of Said Parcel Westerly along the South Line of Said Parcel a distance of 46 feet to the Point of Beginning; thence Westerly along the South Line of Said Parcel a distance of 10 feet; thence Northerly parallel to East Line of Said Parcel a distance of 100 feet; thence Easterly Parallel to the South Line of Said Parcel a distance of 56 feet; thence Southerly along the East Line of Said Parcel a distance of 10 feet; thence Westerly Parallel to South Line of Said Parcel a distance of 46 feet; thence Southerly Parallel to East line of Said Parcel a distance of 90 feet to the Point of Beginning.

Further, that all legal documents relative to the Grant of Easement be prepared by the Department of Attorney General.

Further, that all monies received be deposited in the General Fund of the State.

MODIFICATION TO PROFESSIONAL SERVICES CONTRACT

10. DEPARTMENT OF STATE POLICE, LANSING – That the contract for professional services with JCK & Associates, Inc., Novi, Michigan, be increased \$180,341.05 to increase and add certain not to exceed fees for additional acquisition services for the MPSCS, for a total Contract Fee Not to Exceed \$5,025,739.58. Source of funds: 100% State Building Authority.

RECOMMENDATION FOR ADOPTION OF A RESOLUTION WHICH REVISES THE EASEMENT FEE SCHEDULE FOR EASEMENTS ACROSS STATE-OWNED LANDS.

11. The State Administrative Board, on May 21, 1996 approved an Easement Fee Schedule.

Current review confirms the need for a revision of the payments computed from the schedule in order that the amounts received remain on par with payments made for similar right-of-way crossings and uses on privately owned lands. This action is necessary to properly compensate the State for the land rights conveyed and the administrative cost of real estate transactions.

1984 PA 431, as amended by 1999 PA 8, provides for and authorizes the Department of Management and Budget to grant easements, upon terms and conditions the State Administrative Board determines are just and reasonable, for highway and road purposes, and for construction, operation, and maintaining pipelines or electric, telephone, telegraph, television, gas, sanitary sewer, storm sewer, or other utility lines including all supporting fixtures and other appurtenances over, through, under, upon, and across any land belonging to the State, except lands under the jurisdiction of the Department of Natural Resources, the Department of Military Affairs, and the Department of Transportation.

It is recommended that the Department of Management and Budget shall secure a non-refundable fee of \$250.00 to offset a portion of the Tenant and Land Services cost for processing. This fee shall be paid in addition to the charge for the land rights desired from the State. Computations to arrive at the charge for the desired state land rights shall be computed within the following guidelines, which include the value of the land plus a ten percent administration charge to be deposited in the General Fund unless otherwise authorized by law in accordance with the following fee schedule with the minimum fee being \$500.00 for any one easement.

A fixed fee schedule shall be used whenever possible. Surface damages including a timber consideration fee will also be assessed in addition to the fixed fee. Restoration of damage to structures or other site improvements will be the responsibility of the grantee.

Right-of-way width up to (feet)	Upper Peninsula		Northern Peninsula		Lower Peninsula	
	Current Rate	New Rate	Current Rate	New Rate	Current Rate	New Rate
10	\$0.30	\$0.60	\$0.50	\$1.05	\$0.65	\$1.50
15	\$0.45	\$0.90	\$0.80	\$1.60	\$1.05	\$2.25
20	\$0.65	\$1.20	\$1.05	\$2.10	\$1.30	\$3.00
30	\$0.80	\$1.80	\$1.55	\$3.15	\$2.05	\$4.50
40	\$1.05	\$2.40	\$2.05	\$4.20	\$2.70	\$6.00
50	\$1.30	\$3.00	\$2.50	\$5.25	\$3.40	\$7.50
In the Southern Lower Peninsula the linear rate shall be doubled within Incorporated City Limits					Above schedule x 200%	
Temporary right of way for short-term construction					Above schedule x 50%	
Utility Cabinet sites up to 20 feet x 20 feet					\$4,500	

All utility lines shall be buried whenever feasible, and when they are not the linear foot rate shall be charge at 200 % of the above schedule.

Fiber-optic easements shall be charged the above schedule for each 1.25" diameter or smaller cable.

Easements that allow construction of surface improvements shall require removal of improvements and site restoration upon termination of the use of the easement for 180 days. The easement for any surface use may also contain special conditions covering improvement removal and site restoration.

All easements may where appropriate require relocation upon notice that the site is needed for State construction. A replacement easement will be granted to the grantee upon release of the original easement with no additional fees being charged by the State.

It shall, therefore, be the policy of the Department of Management and Budget to collect the above fees on all applications except the following:

- A. Applications for easements, which would provide a direct public benefit to the State and not just for the convenience or enhancement of private landowners.
- B. Application for easement across State land on which the State is the only direct beneficiary.
- C. Easements over 50' in width shall be individually appraised. The Department of Management and Budget shall collect in addition to the administrative cost, the proposed cost of the appraisal, which shall be non-refundable, prior to issuing the appraisal contract for the market value of the easement.

SPECIAL AGENDA

BUILDING COMMITTEE

April 16, 2002

10:50 A.M. Senate Appropriations Room
3rd Floor Capital

STATE ADMINISTRATIVE BOARD

April 16, 2002

11:00 A.M. Senate Appropriations Room
3rd Floor Capital

AWARD OF CONSTRUCTION CONTRACTS

DEPARTMENT OF MANAGEMENT AND BUDGET, LANSING – Roosevelt Parking Ramp –
Construct a New 5 Level Parking Ramp
File No. 071/01306.RCH – Index No. 53082
Low Responsive Bidder: Kares Construction Company, Inc., Lansing; \$5,047,900.00